

# Davenport CSD / Davenport Assn. of Para Educators

2003-2004  
CEO 825  
SECTOR 3

## STATE OF IOWA PUBLIC EMPLOYMENT RELATIONS BOARD

In the Matter of Fact-Finding	*	
Between	*	
	*	FINDINGS
DAVENPORT ASSOCIATION OF	*	AND
PARA-EDUCATORS,	*	RECOMMENDATIONS
AFSCME/IOWA COUNCIL 16	*	
	*	
	*	
and	*	Anna DuVal Smith
	*	Fact-Finder
DAVENPORT COMMUNITY	*	
SCHOOL DISTRICT	*	

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### Appearances

For the Davenport Association of Para-educators, AFSCME/Iowa Council 61:

Tyrone Cutkomp, Staff Representative  
AFSCME/Iowa Council 61  
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For the Davenport Community School District:

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## I. SUBMISSION

This matter came for hearing at 9:00 a.m. on September 10, 2004, at the Holiday Inn in Davenport, Iowa, before Anna DuVal Smith who was appointed Fact-Finder pursuant to Section 20.21 of the Iowa Public Employment Relations Act. Present for the Davenport Association of Para-Educators, AFSCME/Iowa Council 61 ("Association") were Laura Peters, Pamela R. Cole, Robert M. Hutcheson, Dee A. Ahrens and Jean Svebakken. Present for the Davenport Community School District ("District") were Rita Watts, Claudia Wood, Steve Mielenhausen, Tom Wagner and Betty Long. Both parties were afforded a complete opportunity to examine witnesses, to present written evidence, and to argue their respective positions. The oral hearing concluded at 8:30 p.m. on September 10, 2004, whereupon the record was closed. The parties agreed to waive the statutory deadline for the Fact-Finder's report. In rendering these findings and recommendations, the Fact-Finder has given full consideration to all reliable information relevant to the impasse items and to the criteria specified for arbitrator consideration in Section 20.22 (9) of the Iowa Code, to wit:

- (a) Past collective bargaining contracts between the parties including the bargaining that led up to such contracts.
- (b) Comparison of wages, hours and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.
- (c) The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of such adjustments on the normal standard of services.
- (d) The power of the public employer to levy taxes and appropriate funds for the conduct of its operations.

## II. BACKGROUND

The Davenport Community School District is located in the Quad Cities area of Southeast Iowa, serving most of the city of Davenport plus Blue Grass, Buffalo and Walcott. While its present enrollment of 16,969 (2004-05) places it third in the state and first in its conference,<sup>1</sup> it has lost 978 students plus 321 open enrollment in the past ten years. The impact of this in terms

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<sup>1</sup>Bettendorf, Burlington, Clinton, Davenport, Muscatine, North Scott and Pleasant Valley.

of new money for the District compared to the other seven urban districts ("Urban 8")<sup>2</sup> was to place it at the bottom percentagewise (1% new money, Urban 8 range of 1-4.04%). Its general operating fund budget for 2002-03 was \$125.9 million. Six groups of employees are represented by employee organizations: teachers; custodian, warehouse and security; food service; secretaries; maintenance; and para-educators. This dispute involves the para-educators, who work primarily with District teachers in the education process, of which there are 373.10 FTE.

In negotiating their 2004-05 contract, the parties resolved all issues but salary and insurance. Tentative agreements on all other issue were submitted as District Exhibit 1-5 and Association 10 with the stipulation that they be recommended by the Fact-Finder as agreed by the parties.

### III. ISSUES

#### Article X Para-Educator Wages

The expiring contract has two separate wage schedules. The first of these, "For Current Para-Educators" (Exhibit A), provides wages from \$6.80 to \$11.75 plus \$1.00 for interpreters and \$0.15 for certain educational attainment. The second, "For Para-Educators hired after August 30, 1998" (Exhibit B), provides wages from \$6.80 to \$11.05 depending on position (e.g. Accompanist) and qualifications (e.g. education/licensure), plus \$1.00 for interpreters and \$0.15 for certain educational attainment. Para-educators also receive longevity of 10 cents per hour (10 to 19 years of service) and 20 cents per hour (20 plus years).

The Association proposes to replace these wage schedules the two step-structures, one for General Para-Educators, one for Specialized Skill Para-Educators. Educational attainment and longevity pay would remain as in the expiring contract. It also proposes implementation schedules to transition employees from the existing schedule to the new ones. If the Association's proposal is adopted General Para-Educators would be on a step schedule of wages

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<sup>2</sup>Cedar Rapids, Council Bluffs, Des Moines, Dubuque, Iowa City, Sioux City and Waterloo.

from \$7.50 to \$9.75 by the end of March 2005 and Specialized Skill Para-Educators would be on a step schedule earning from \$8.50 to \$10.75. The Association's full proposal for both schedules, exclusive of longevity and educational attainment pay is set forth in Appendix A. The Association argues that its position should be recommended because District is unique in its absence of a step-structure for para-educators, its low base wage is responsible for the relatively high turnover of the lowest paid general para-educators, and the Association accepted a low 10 cents per hour increase for 2003-04 in exchange for a committee to devise a step wage scale. Data from other districts (Urban 8 and the District's conference) as well as other employee groups in Davenport support both a step structure and a higher base. Moreover, in past years, para-educators have won or negotiated higher than average wage increases because of their low relative position. As for the District's ability to pay, the Association submits data to show that the District's financial position has been improving, that it has a number of ways to fund the proposal including a proprietary fund and additional allowable growth for special education. Moreover, the District should not be allowed to make its lowest paid employees pay for its own expensive mistakes in trying to address the adverse impact of open enrollment. In light of settlements in recent years ranging from 4.56% to 9.15%, the Association's request this year (which the Association estimates at 5.35% including requested insurance enhancements and savings from attrition) is not unreasonable.

The District opposes the Association's position as being overly complex, untested and with expensive implications for the future. Its offer, which it asserts as being the most reasonable of the two, is to add 15 cents per hour to the base wage of \$6.80 and 5 cents per hour to all others. The District costs this proposal as an increase of 2.56%, including the bonuses previously agreed to and its proposal on health insurance. It submits that the elimination of steps and reduction of starting pay in the 1990s were the result Union proposals, the latter of which was to offset rising insurance costs. The District admits that the lowest wage is comparatively low, but it has no difficulty with recruitment. Turnover, however, is an issue, so it wishes to put

most of its available dollars on the bottom. It points out that it has already agreed to \$300 bonuses for certain para-educators who complete their first school year with the District. The District continues that prior neutrals improperly focused on the lowest wage, calling it an "entry" wage. This neutral should not make the same "rookie" mistake, but recognize that there are distinct classifications and general para-educator is simply the lowest paid of these. The District submits that whatever measure is used, it is the poorest of comparable districts: 1% new money, undesignated/unreserved fund ( -\$1.1 million, last in the Urban 8, last in its conference, second to last in the state), general fund equity (-\$364,257, last in Urban 8, last in conference, fourth from last in state), solvency ratio (-0.8%, last in Urban 8, last in conference, 29<sup>th</sup> from last in state), unspent balance (\$2.3 million, last per pupil and year-to-year change in both Urban 8 and conference) and interest earned (last per pupil in Urban 8, second to last in conference). Further, its taxation rate is the highest in the conference and second highest in the Urban 8, proof that the District has been diligent in going to the voters. By comparison with the Association's proposal, which the District estimates will increase costs 5.83% in 2004-05 and is so complex as to prevent estimates for the future, the District's is understandable, predictable, and affordable, so should be recommended.

#### Article XII Insurance

The Association proposes adding a Life and Accidental Death and Dismembership insurance policy in the amount of \$10,000 for all employees scheduled to work 5 or more hours per day. It also seeks long-term disability and dental insurance policies. It argues that these are justified by both internal and external comparables, and that it has shown due diligence in trying to get these benefits in the past, yet the District remains resistant. The Association opposes the District's proposal to increase the daily hours required for health insurance eligibility, relying on internal and external comparables and claiming that raising the eligibility bar would only motivate the District to cut hours even more than it has.

The District opposes these new benefits and proposes that eligibility for paid single hospitalization and health insurance be increased from 5 hours per day to 5.5 hours, but would grandfather in current employees who are assigned to work 5 hours per day or more. It says raising the eligibility bar is justified by Davenport para-educators having the lowest eligibility of any in their conference and below average for the Urban 8. What is more, theirs is fully paid, not pro-rated as part-time para-educators are elsewhere. Cost of District employee benefits are the highest in the conference (but consistent with its size in the Urban 8). If the District could have relief here, it would free up money for salaries.

#### IV. FINDINGS AND RECOMMENDATIONS

##### Article X Para-Educator Wages

The Fact-Finder accepts the District's description of its lowest para-educator wage as being not an entry wage, but a classification wage. As such, para-educators earn a higher rate by acquiring education, staying with the District long enough to qualify for longevity pay, by moving into higher paid positions, and/or through negotiated or neutral-imposed wage increases. This is precisely the situation the Association wants to change with its proposed step system. It is true that other districts in the comparable groups have step systems, but it is also true that Davenport's para-educators once had such a system but bargained it away. Further, the lowest wage in the existing structure was the result of a bargain made to benefit then-existing bargaining unit members. It is impossible to tell from the evidence submitted which party sought these changes, but there is no question they were mutually agreed to. Now the Association wants to restore a step system and simultaneously raise the base rate by an appreciable amount, and the District cries foul.

Despite the existence of step systems elsewhere in the region and among other large districts statewide, there are several reasons not to recommend it at this time. First, it is costly to raise the base appreciably and simultaneously fix meaningful steps that also provide wage

increases for higher paid employees. Second, no costing of the impact of movement through the steps in coming years was provided. Third, while the Association did accept a lower wage increase last year and got the study committee, the side-letter language does not require a new wage scale be implemented this year. Third, while the Association has done a commendable job (which must have taken many hours of work) in designing its proposal, it still is a significant conceptual change warranting more effort by the parties themselves to see if they can develop a mutually acceptable plan. In short, it is premature for a neutral to intervene to change a system of many years' standing which was a product of free collective bargaining. I therefore recommend no change at this time to the basic structure.

However, the base rate is too low as evidenced by the high turnover rate. To some extent this may be addressed by the bonuses tentatively agreed to (and recommended by this fact-finder) for para-educators performing certain tasks after they have worked specified portions of the school year. This will not, however, address turnover in subsequent years of service or of those who perform less undesirable tasks. The District, itself, acknowledges this inasmuch as it recommends a two-tier adjustment, one for the lowest paid and a lower one for the higher paid para-educators. What it proposes, though, is too low. Urban 8 districts with less than 2% new money have base wages of \$8.09-\$8.71 (Cedar Rapids, Des Moines and Council Bluffs). Conference districts with less than 2% new money (which are all smaller than Davenport but draw from the same labor pool) pay their aides \$7.62-\$9.65 (Bettendorf, Burlington and Clinton). Increases for these districts averaged 3.17% (Urban 8) and 2.97% (conference), but their wages were higher to begin with. Internally, the District found the wherewithal to grant an average of 3.58% to its other bargaining units, including 3.87% to secretaries. Since 2000-01 District para-educators have bargained or won total package increases proportionately greater than those of other units (District Ex. S-2). They should do so again this year and continue to bring up the base. I recommend 25¢ be added to the \$6.80 wage and 15¢ to all others, which I calculate to cost \$6,892,593 in a package that leaves insurance unchanged, yielding a cost increase of 4.5%.

The only question, then is whether this is affordable. The District has suffered hard times for some years, in part because of open enrollment and decisions it has made in its attempts to mitigate the loss of students. But even in these hard times it found ways to improve para-educators' wages relative to other employees and this year its packages for all other groups are 3% or better. Moreover, while it is difficult to tell from the data submitted precisely what the District's financial position is, its condition appears to be improving. Its unspent balance, which was -\$2.4 million in 2001-02, moved into positive territory in 2002-03 and is now expected to be \$2.4 million. Its solvency ratio, which was -2.96% for 2002, was 0.07% in 2003 and forecasted for 2004 to be 4.07%. It is true that its undesignated/unreserved balance is reported by the District to be -\$1.05 million, but no year or history was provided, so it is impossible to place this figure in perspective. Be that as it may, the Fact-Finder is convinced the District has the means to make the necessary adjustments to support the recommended package without compromising its normal standard of service.

#### Article XII Insurance

The Fact-Finder recommends no changes to insurance. The single health eligibility threshold for other bargaining units (all but food service and para-educators are eligible at 4 hours) supports the existing eligibility requirement of 5 hours. While other units also have dental insurance, few para-educator units in the Urban 8 do and only half to two-thirds of the conference does. Furthermore, this is a fairly expensive benefit and the money is better spent on wage improvement. Life and long-term disability insurances are not so costly and the external comparables support them, but Davenport para-educators do have vision insurance (an unusual benefit for para-educators in the comparison districts) and their single plan health insurance is fully paid by the District.



## V. SUMMARY OF RECOMMENDATIONS

<u>Item</u>	<u>Recommendation</u>
Article X Wages	+25¢ to \$6.80 +15¢ to all others
Article XII Insurance	No change
Tentative Agreements	As set forth in Union Ex. 10 and District Ex. I-7

Respectfully submitted,



Anna DuVal Smith, Ph.D.  
Fact-Finder

Cuyahoga County, Ohio  
October 27, 2004

# GENERAL PARA-EDUCATOR WAGE RATES

Step	Rate of Pay		
<b>Step 1</b>			
7/1/04 – 11/2/04	\$7.00		
11/3/04 – 1/15/05	\$7.15		
1/16/05 – 3/25/05	\$7.30		
3/26/05 - >>>	\$7.50		
<b>Step 2</b>	\$7.75		
<b>Step 3</b>	\$8.25		
<b>Step 4</b>	\$8.75		
<b>Step 5</b>	\$9.25		
<b>Step 6</b>	\$9.75		
<b>General Para-Educators hired 7/1/04 or after shall be placed at pay Step 1</b>			
<b>Implementation Schedule for General Para-Educators Hired Prior to 7/1/04:</b>			
<b>Para-Educator Title</b>	<b>Current Hourly Salary</b>	<b>Number of Employees as of Negotiations Snapshot Date</b>	<b>Step Place at Effective 7/1/04</b>
General	\$6.80	209	Step 1
General	\$8.15	100	Step 3
General	\$8.90	41	Step 5
General	\$9.15	61	Step 5
General	\$9.65	7	Step 6

**EXHIBIT "B"**  
**DAVENPORT COMMUNITY SCHOOL DISTRICT**  
**SPECIALIZED SKILL PARA-EDUCATOR WAGE RATES**

Step	Rate of Pay
Step 1	\$8.50
Step 2	\$9.00
Step 3	\$9.50
Step 4	\$10.00
Step 5	\$10.50
Step 6	\$10.75

**Specialized Skill Para-Educators Hired 7/1/04 or after shall be Placed at a Pay Step in Accordance with the Schedule Below:**

Para-Educator Title	Step Placed at upon Hire
Bilingual	Step 1
One (1) Year CDA Certification required*	Step 1
Accompanist	Step 4
Braille Translator	Step 5
Two (2) Year Degree/Licensure Required (proficiency licensure if required)	Step 5
Hearing Interpreter (Differential pay of \$1.00/hour for Hearing Interpreters)	Step 5
Four (4) Year Bachelor's Degree Required (Differential Pay of \$1.00/hour for Hearing Interpreters)	Step 6

**Implementation Schedule for Specialized Skill Para-Educators Hired Prior to 7/1/04**

Para-Educator Title	Current Hourly Pay	Number of Employees as of Negotiations Snapshot Date	Step Placed at Effective 7/1/04
Bilingual	\$8.40	6	Step 1
Bilingual	\$9.15	2	Step 3
Accompanist	\$9.55	5	Step 4
Braille Translator	\$10.25	1	Step 5
Two (2) Year Degree/Licensure Required (Proficiency Licensure if required)	\$10.25	17	Step 5
One (1) Year CDA Certification Required*	\$10.25	1	Step 5
Hearing Interpreters (Differential pay of \$1.00/hour for Hearing Interpreters)	\$10.25	10	Step 5
Braille Translator	\$10.60	1	Step 6
Two (2) Year Degree/Licensure Required (Proficiency Licensure if required)	\$10.60	2	Step 6
One (1) Year CDA Certification Required*	\$10.60	1	Step 6
Hearing Interpreters (Differential pay of \$1.00/hour for Hearing Interpreters)	\$10.60	5	Step 6
Accompanist	\$10.60	1	Step 6

\*New Specialized Skill Para-Educator Title being introduced for 2004-05 School Year; 2 existing Para-Educators holding this title were hired in 1995 & 1998 with belief they held 2-Year degree, which was inaccurate.

# CERTIFICATE OF SERVICE

I certify that on the 28th day of October, 2004, I served the foregoing Report of Fact-Finder upon each of the parties to this matter by express mailing a copy to them at their respective addresses as shown below:

Tyrone Cutkomp, Staff Representative  
AFSCME/Iowa Council 61  
4320 NW Second Ave.  
Des Moines, IA 50313

Gary L. Ray  
Ray and Associates  
Executive Plaza Building  
4403 First Ave., S.E., Ste. 407  
Cedar Rapids, IA 52402

I further certify that on the 28<sup>th</sup> day of October, 2004, I submitted this Report for filing by express mailing it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, Iowa 50319.

*Anna DuVal Smith*

Anna DuVal Smith, Ph.D.  
Fact-Finder

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